GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:2872
ANSWERED ON:14.03.2000
FAKE CURRENCY
KAMAL NATH

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether attention of the Government has been drawn to the newsitem captioned `Fake notes float from Dubai and Italy to a cattle fair in Rajasthan` appearing in the `Indian Express` dated 11th February, 2000;

(b) if so, the facts reported therein alongwith the reaction of the Government thereto;

(c) the total amount of fake notes detected from various parts of the country; and

(d) the steps taken/proposed to be taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I.D.SWAMI)

(a):Yes, Sir.

(b): The cases of circulation of fake currency notes are being reported, from time to time, from various parts of the country. It is not a fact that counterfeiting of Indian currency notes was earlier linked only to the border States of Punjab and Jammu and Kashmir. Reports available with the Government indicate that Peshawar is one of the centres in Pakistan where fake Indian currency is printed and diverted to various locations in India.

(c): According to available information, the total value of fake currency notes recovered and seized during the last three years, i.e.,1997, 1998 and 1999, was Rs.3,55,70,249/-, Rs.64,97,127/- and 1,83,35,315/- respectively.

(d): The Central Bureau of Investigation has created a Special unit for exclusive investigation of counterfeit currency notes. The Border Security Force has alerted its forward troops to be more vigilant so as to ensure that such currency notesare not smuggled in the country.
The following steps have been taken by the Ministry of Finance to deal with the problem of fake currency:

(i) A High Level Committee has been constituted, with representation from the Department of Economic Affairs, Reserve Bank of India, Ministry of Home Affairs/National Security Council Secretariat (NSCS), to go into the entire gamut of issues pertaining to the security dimension of India currency.

(ii) Currency and Coinage Division has set up a six member Fact Finding Committee under the convenorship of Shri V.R.Gaikwad, Dy. General Manager, RBI, comprising experts on note-printing/currency paper, etc. for examining the fake notes seized in the past in order to enable the Government to take remedial action vis-Ã -vis printing and security features.

(iii) RBI has been advised to go in for publicity campaign about security features incorporatedin the genuine notes so that the members of the public may distinguish between genuine and fake notes.